

## REPORT

## CD NO.

DATE DISTR. 19 JUL 50

NO. OF PAGES 1

NO. OF ENCLS.  
(LISTED BELOW)

SUPPLEMENT TO  
REPORT NO.

50X1-HUM

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF THE ESPIONAGE ACT 50 U.S.C. 21 AND 22, AS AMENDED. ITS TRANSMISSION OR THE REVEALATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

50X1-HUM

1. The Chinese Communist Army regularly sells opium in order to defray expenses. Actual sales and public handling are managed by private concerns or by firms whose connection with the Communist Government is secret. A brokerage firm handling the details of any gold or opium sale backed by the Communist Government must obtain a guarantee from a top-level official, which is done by paying a direct charge in advance. The purpose of the guarantee is to insure care and secrecy, so that the government will not be mentioned; if there is a leak, the dealer can be made the scapegoat.

50X1-HUM

**Next Review Date: 2008**

**CONFIDENTIAL**

CLASSIFICATION

## उद्देश्य

<del>SECRET</del>					
<del>X</del>	<del>X</del>	<del>X</del>	DISTRIBUTION		
STATE	NVY	#	NSRB		
ARMY #	AIR		FBI		

50X1-HUM

Document No. 998  
No Change in Class.  
~~Not~~ Declassified  
Date: 11/22/78  
a.e. 3/1/78